

AMENDED IN SENATE FEBRUARY 13, 2013

AMENDED IN SENATE FEBRUARY 6, 2013

AMENDED IN SENATE JANUARY 29, 2013

SENATE BILL

No. 54

Introduced by Senator Hancock

December 21, 2012

An act to add Sections 31621.12 and 31676.20 to the Government Code, relating to county employees' retirement, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 54, as amended, Hancock. Retirement: county employees.

The California Public Employees' Pension Reform Act of 2013 requires each county retirement system created pursuant to the County Employees Retirement Law of 1937 to use a retirement formula commonly known as 2.5% at 67 years of age for nonsafety members first hired on or after January 1, 2013, except that a lower retirement formula may be used as specified. The County Employees Retirement Law of 1937 authorizes the Alameda County Board of Supervisors to provide service retirement allowances for general members based on one of 2 formulas commonly known as the 2% at 57 years of age formula or the 1.64% at 57 years of age formula.

This bill would authorize the Alameda County Board of Supervisors to adopt a resolution that would provide service retirement allowances based on a formula commonly known as the 2% at 65 years of age formula for general members hired after approval of the resolution, as specified.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 31621.12 is added to the Government
2 Code, to read:

3 31621.12. In counties adopting Section 31676.20, the normal
4 rates of contribution for members covered by Section 31676.20
5 shall be as provided for in Section 7522.30. Employees shall pay
6 at least 50 percent of normal costs and the employer shall not pay
7 any part of the required employee contribution.

8 SEC. 2. Section 31676.20 is added to the Government Code,
9 to read:

10 31676.20. (a) (1) Notwithstanding any other provision of this
11 chapter or of subdivision (b) of Section 7522.02 and Section
12 7522.20, this section may be made applicable in a county of the
13 fourth class, as defined in Sections 28020 and 28025, as amended
14 by Chapter 1204 of the Statutes of 1971, on the first day of the
15 month after the board of supervisors of the county adopts a
16 resolution by majority vote, as part of or subsequent to the adoption
17 of any negotiated memorandum of understanding with a bargaining
18 unit that represents general member employees and that was
19 adopted on or before December 31, 2012, to employees of that
20 bargaining unit hired after approval of the resolution or to
21 unrepresented employees hired after approval of the resolution.

22 (2) Notwithstanding any other provisions of this chapter or of
23 subdivision (b) of Section 7522.02 and Section 7522.20, the defined
24 benefit plan shall provide a pension at retirement for service equal
25 to the percentage of the member's final compensation set forth
26 opposite the member's age at retirement, taken to the preceding
27 quarter year, in the following table, multiplied by the number of
28 years of service in the system as a nonsafety member. A member
29 may retire for service under this section after five years of service
30 and upon reaching 52 years of age.

31

32 Age of

33 Retirement

Fraction

1	52.....	1.00
2	52 $\frac{1}{4}$	1.025
3	52 $\frac{1}{2}$	1.050
4	52 $\frac{3}{4}$	1.075
5	53.....	1.100
6	53 $\frac{1}{4}$	1.125
7	53 $\frac{1}{2}$	1.150
8	53 $\frac{3}{4}$	1.175
9	54.....	1.1883
10	54 $\frac{1}{4}$	1.2022
11	54 $\frac{1}{2}$	1.2160
12	54 $\frac{3}{4}$	1.2299
13	55.....	1.2436
14	55 $\frac{1}{4}$	1.2585
15	55 $\frac{1}{2}$	1.2733
16	55 $\frac{3}{4}$	1.2882
17	56.....	1.3031
18	56 $\frac{1}{4}$	1.3192
19	56 $\frac{1}{2}$	1.3353
20	56 $\frac{3}{4}$	1.3514
21	57.....	1.3675
22	57 $\frac{1}{4}$	1.3850
23	57 $\frac{1}{2}$	1.4025
24	57 $\frac{3}{4}$	1.4200
25	58.....	1.4375
26	58 $\frac{1}{4}$	1.4565
27	58 $\frac{1}{2}$	1.4757
28	58 $\frac{3}{4}$	1.4947
29	59.....	1.5138
30	59 $\frac{1}{4}$	1.5346
31	59 $\frac{1}{2}$	1.5554
32	59 $\frac{3}{4}$	1.5763
33	60.....	1.5972
34	60 $\frac{1}{4}$	1.6126
35	60 $\frac{1}{2}$	1.6282
36	60 $\frac{3}{4}$	1.6438
37	61.....	1.6593
38	61 $\frac{1}{4}$	1.6801
39	61 $\frac{1}{2}$	1.7010
40	61 $\frac{3}{4}$	1.7219

1	62.....	1.7428
2	62 ¼.....	1.7649
3	62 ½.....	1.7871
4	62 ¾.....	1.8092
5	63.....	1.8314
6	63 ¼.....	1.8549
7	63 ½.....	1.8785
8	63 ¾.....	1.9021
9	64.....	1.9257
10	64 ¼.....	1.9510
11	64 ½.....	1.9763
12	64 ¾.....	2.0015
13	65.....	2.0268
14	65 ¼.....	2.0268
15	65 ½.....	2.0268
16	65 ¾.....	2.0268
17	66	2.0268
18	66 ¼.....	2.0268
19	66 ½.....	2.0268
20	66 ¾.....	2.0268
21	67 and over.....	2.0268

22

23 (b) Except as provided for in subdivision (a), any requirement
 24 of the California Public Employees' Pension Reform Act of 2013
 25 (Article 4 (commencing with Section 7522) of Chapter 21 of
 26 Division 7 of Title 1) applicable to employers or members
 27 participating in county and district retirement systems created
 28 under this chapter shall also apply to employers and members
 29 operating under this section.

30 (c) Subject to the requirements of Section 7522.30, a resolution
 31 adopted pursuant to this section or previously adopted resolutions
 32 of the board may require members to pay all or part of the
 33 contributions by a member or employer, or both, that would have
 34 been required if the section or sections specified within this chapter
 35 were or have been adopted by resolution. The payment by a
 36 member shall become part of the accumulated contributions of the
 37 member.

38 ~~(d) The board of supervisors, in a resolution described in~~
 39 ~~subdivision (a), shall not require that a bargaining unit be divided~~
 40 ~~solely for the purpose of providing different retirement benefits.~~

1 ~~However, if the members of a bargaining unit within the same or~~
2 ~~similar membership classification so elect, retirement benefits may~~
3 ~~be separately negotiated with that bargaining unit.~~

4 ~~(e)~~

5 (d) Notwithstanding any other provision of law, the effective
6 date of a resolution described in subdivision (a) may be different
7 than the date of the resolution.

8 ~~(f)~~

9 (e) This section shall not apply to safety members.

10 SEC. 3. This act is an urgency statute necessary for the
11 immediate preservation of the public peace, health, or safety within
12 the meaning of Article IV of the Constitution and shall go into
13 immediate effect. The facts constituting the necessity are:

14 In order for the benefits of a memorandum of understanding that
15 was negotiated between a county of the fourth class and one of its
16 bargaining units to be enacted and applied equitably at the earliest
17 possible time, it is necessary that this act take effect immediately.